

1420  
VIRGINIA:

100001281

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 01-1120-0978-01

ELECTIONS: UNIT D-19  
(herein Subject Drilling Unit)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on November 15, 2006 which was recorded at Document 060003838 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on November 17, 2006, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit D-19;

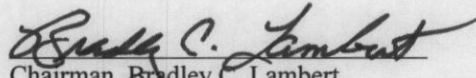
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company PO Box 3860 Kingsport, TN 37664, Attn: Debbie Davis or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

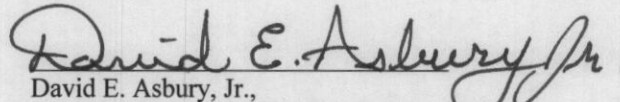
Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 8 day of April, 2010, by a majority of the Virginia Gas and Oil Board.

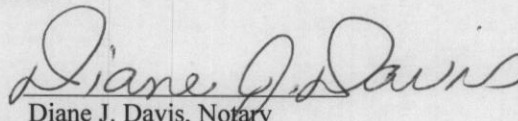
  
Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 8 day of April, 2010, by Order of the Board.

  
David E. Asbury, Jr.,  
Principal Executive to the Staff of the Board

STATE OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 8th day of April, 2010, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

  
Diane J. Davis, Notary  
174394

My commission expires: September 30, 2013





VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit D-19  
VGOB 01-1120-0978-01 in the South Grundy District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein A Designated Operator) REGARDING ELECTIONS,  
ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Gas Company LLC, as Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on November 15, 2006, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on November 17, 2006;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of November 15, 2006;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

None

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

None

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 29<sup>th</sup> day of January, 2010.

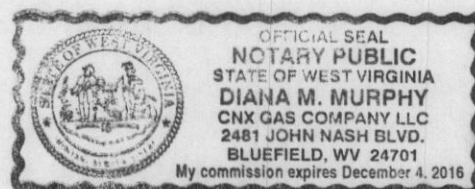
Anita D. Duty  
Anita D. Duty

STATE OF WEST VIRGINIA  
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Gas Company LLC, on behalf of the corporate Designated Operator, this 29<sup>th</sup> day of January, 2010.

Diana M. Murphy  
Notary

My commission expires: December 4, 2016





PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED  
BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

N 361,656.20  
E 979,038.73

N 361,587.07  
E 980,899.15

80 ACRE UNIT

TRAIL

CBM-D19

1A

CBM-D19A

N 359,786.76  
E 978,969.09

N 359,717.54  
E 980,829.83

EXHIBIT A  
OAKWOOD FIELD  
UNIT D-19  
FORCE POOLING  
VGOB-01-1120-0978-01

Company CNX Gas Company LLC

Well Name and Number UNIT D19

Tract No. \_\_\_\_\_ Elevation \_\_\_\_\_

Quadrangle Grundy

County Buchanan District South Grundy

Scale: 1" = 400' Date 7/28/06

This plat is a new plat X ; an updated plat \_\_\_\_\_ ;

a final plat  
No. 10958

Form DGO-GO-7  
Rev. 9/91

Claude D. Morgan  
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

**CNX Gas Company LLC**  
**UNIT D-19**  
**Tract Identifications**

1. H. L. Buston, et al (40 Acre Tract) – All Minerals  
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
47.18 acres 58.9750%
- 1A. Tyros LTD – Surface  
1B. Unknown Surface Owner
2. Florence E. Walker, et al (86.50 Acre Tract) – All Minerals  
Island Creek Coal Company/Consol Energy, Inc. – Below Drainage Coal Leased  
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased  
CNX Gas Company LLC – CBM Leased  
Unknown Surface Owner  
5.79 acres 7.2375%
- 2A. Unknown Surface Owner  
2B. Tyros Ltd - Surface
3. Buchanan Realty Limited Partnership (44 Acre Tract)– All Minerals  
Island Creek Coal Company/Consol Energy, Inc. – Coal In and Below Tiller Leased  
Jewell Smokeless Coal Corporation – Coal In and Above the Jawbone Seam Leased  
Columbia Natural Resources, Inc. OR Amoco Production Company – Oil and Gas Leased  
CNX Gas Company LLC – CBM Leased  
Samuel J. Breeding, Jr. - Surface  
5.27 acres 6.5875%
4. H. L. Buston, et al (36.51 Acre Tract) – All Minerals  
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
Samuel J. Breeding, Jr. - Surface  
13.82 acres 17.2750%
5. Florence E. Walker, et al (64 Acre Tract) – All Minerals  
Island Creek Coal Company/Consol Energy, Inc. – Below Drainage Coal Leased  
Jewell Smokeless Coal Corporation – Above Drainage Coal Leased  
CNX Gas Company LLC – CBM Leased (11/15)  
Unknown Surface Owner  
7.94 acres 9.9250%



Exhibit B-3  
Unit D-19  
Docket # VGOB 01-1120-0978-01  
List of Unleased Owners/Claimants

	Acres in Unit	Percent of Unit
<b>I. <u>COAL OWNERSHIP</u></b>		
<b><u>Tract #5, 7.94 Acres</u></b>		
(1) Florence E. Walker, et al. (64 Acre Tract)	7.94 acres	9.9250%
(b) Curtis W. Humphry Heirs, Devisees, Successors or Assigns		
(b.1) Carol C. Welch 134 Little John Road Williamsburg, VA 23185	1.3233 1/6 of 7.94 acres	1.6542%
(b.2) Mark Welch 113 Holdsworth Rd. Williamsburg, VA 23185-5551	1.3233 1/6 of 7.94 acres	1.6542%
<b>II. <u>OIL &amp; GAS OWNERSHIP</u></b>		
<b><u>Tract #5, 7.94 Acres</u></b>		
(1) Florence E. Walker, et al. (64 Acre Tract)	7.94 acres	9.9250%
(b) Curtis W. Humphry Heirs, Devisees, Successors or Assigns		
(b.1) Carol C. Welch 134 Little John Road Williamsburg, VA 23185	1.3233 1/6 of 7.94 acres	1.6542%
(b.2) Mark Welch 113 Holdsworth Rd. Williamsburg, VA 23185-5551	1.3233 1/6 of 7.94 acres	1.6542%

INSTRUMENT #1000001281  
RECORDED IN THE CLERK'S OFFICE OF  
BUCHANAN COUNTY ON  
MAY 19, 2010 AT 01:38PM

BEVERLY S. TILLER, CLERK  
RECORDED BY: NKE